



## PUBLIC NOTICE & AGENDA

### **Multistate Tax Commission Uniformity Committee Meeting**

Galt House Hotel  
140 North Fourth Street  
Louisville, Kentucky

**Tuesday, August 1, 2017**

10:00 a.m. to 4:00 p.m. Eastern Time  
(Times Noted on the Agenda are Approximate)

Note: Participation in this meeting via teleconferencing will be available by using the following dial-in number: 1-719-457-1414, conference code: 258090#.

#### **Committee Rules:**

Generally – The Chair runs the meeting, following the agenda. Anyone wishing to speak should ask to be recognized by the Chair. Questions are welcome at any time and participation is encouraged. The agenda also provides signals for each topic as to the type of participation anticipated (discussion, advice, voting, etc.). Members of the public are invited to provide comments as well.

Committee Members – Committee membership is voluntary and inclusive. All state personnel present or on the phone during a meeting are welcome to participate as members of the Committee and can offer motions or amendments and participate in Committee discussion, etc. But only one person from each state should cast a vote. (Members from the same state can decide who votes.)

Motions and Amendments – Official Committee decisions are made by motion (no need for a second). Motions may be offered by any Committee member, with or without an invitation of the Chair. The moving member may amend or withdraw a motion prior to a vote and other members may offer amendments, “friendly” or not. The Chair will allow discussion of motions and amendments prior to voting. The Chair may allow a request to reconsider a motion after a vote.

Voting – The Chair determines how particular votes are taken—including asking for objections only. State members participating by phone may be asked to identify themselves when voting, but otherwise, there is no requirement for a roll call vote. Unless the Chair asks for objections only, members may vote to accept or reject a motion or amendment, or may abstain. Staff will be asked to record adopted motions and amendments, but need not record vote tallies unless requested.

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*If you would like additional information about this meeting, contact  
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**I. Welcome and Introductions (10:00 a.m. – 10:15 a.m.)  
Holly Coon, Chair and Tommy Hoyt, Vice Chair**

State representatives and members of the public are welcome, but not required, to introduce themselves.

**II. Initial Public Comment Period (10:15 a.m. – 10:25 a.m.)  
Members of the Public**

Members of the public may take this opportunity to address the Committee concerning any topic related to its purposes, including the agenda. If the comment is related to a specific item on that agenda, however, the Chair may request that the comment be saved until discussion of that item. The Chair may set time limits on public comments in order to give everyone the opportunity to speak and in order to complete committee business.

**III. Approval of Minutes of Meeting Held March 8, 2017 (10:25 a.m. – 10:30 a.m.)  
Holly Coon, Chair**

See the draft minutes included with this agenda online at [www.mtc.gov](http://www.mtc.gov)

**IV. Report on Uniformity (10:30 a.m. – 10:45 a.m.)  
Helen Hecht, MTC**

MTC staff will give a report on developments in enacting or adopting uniform proposals.

See a copy of the report included with this agenda online at [www.mtc.gov](http://www.mtc.gov).

**V. Section 18 Work Group (10:45 a.m. – 11:30 a.m.)  
Holly Coon, Work Group Chair and Bruce Fort, MTC**

Presentation – The Section 18 work group will present the proposed draft regulations to be included in the General Allocation and Apportionment Regulations. These Section 18 regulations are intended to address situations where a taxpayer may effectively lack any receipts factor due to a state’s adoption of the Commission’s recommended changes to Compact, Article IV (UDITPA), including the definition of “receipts” and the sourcing provisions under Section 17.

See the proposed draft regulations included with this agenda online at [www.mtc.gov](http://www.mtc.gov).

Public Comment – The Chair specifically invites members of the public to provide information on any situations in which the narrowing of the receipts factor will create distortion not addressed by the proposed draft. All other public comments are also welcome.

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Discussion – The Chair invites members of the committee to discuss or ask questions about the presentation or the public comments.

Possible Vote – Depending on the discussion, the members may wish to consider approving the proposal for consideration by the Executive Committee, either as drafted or amended by the Committee, or sending the proposal back to the work group with specific instructions.

**LUNCH on your own (11:30 a.m. – 1:00 p.m.)**

**VI. State Roundtable (1:00 p.m. – 1:45 p.m.)  
Committee Members**

Members of the Committee are invited to share developments of interest from their states—including legislation, litigation, and regulations.

**VII. Use Tax Information Reporting Work Group (1:45 p.m. – 2:15 p.m.)  
Phil Horwitz, Work Group Chair and Sheldon Laskin, MTC**

The work group will give a status report of its discussions and decisions concerning the work on the draft model statute and regulations for implementing a use tax reporting requirement on remote sellers. There will be an opportunity for public comment and committee discussion.

See the report of the work group included with this agenda online at [www.mtc.gov](http://www.mtc.gov).

**BREAK (2:15 p.m. – 2:30 p.m.)**

**VIII. Partnership Work Group (2:30 p.m. – 3:20 p.m.)  
Tracee Abel, Work Group Chair and Helen Hecht, MTC**

Background & Status Report

The work group, which is working on a model statute to allow states to respond to the change in the federal partnership audit and adjustment process will report on the project and possible future steps.

See the report of the work group included with this agenda online at [www.mtc.gov](http://www.mtc.gov).

Possible Commission Comments on Proposed IRS Regulations

MTC staff will review the questions and comments that the Committee may submit to the IRS on the Commission's behalf. Those comments will need to be submitted by August 14, 2017.

See a list of proposed comments included with this agenda online at [www.mtc.gov](http://www.mtc.gov).

Proposal of Interested Parties to Amend the Commission's Model RAR Statute

The interested parties (COST, TEI, IPT, ABA and AICPA) have presented the work group with a proposal to amend the Commission's Model RAR statute and adopt uniform regulations. The proposal also incorporates changes to address the partnership audit and adjustment issues. The committee has not yet agreed to expand the work group's scope to include working on the non-partnership issues, but has agreed to consider the proposal. The committee should make a decision at this meeting as to how to proceed.

See the proposal included with this agenda online at [www.mtc.gov](http://www.mtc.gov).

**IX. Texas Margin Tax's Treatment of Pass-throughs (3:20 p.m. – 3:50 p.m.)**

**Tommy Hoyt, Vice Chair**

Presentation on how the Texas margin tax treats passthroughs—including how such entities file and how their income is apportioned and taxed.

**X. New Business (3:50 p.m. to 4:00 p.m.)**

The Committee may consider taking up any new projects or other discussion.

**XI. Adjournment**